(b) whether, in order to assist these companies, the Central Government have not expanded the capital base or conversion of loans into equity capital which resulted into negative performance of these companies;

(c) whether, in pursuance to the BIFR's direction to the Operation Agency for Tanery and Footwear Corporation of India Limited, no action was taken by the O.A. to prepare the revival scheme after thorough inspection of properties of the Company or its present day value physically;

(d) whether the Operating Agency for TAFCO viz. IFCI did not direct any officer to visit TAFCO, Kanpur, before finalisaton of its revival package; and

(e) what action is being taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) Yes, Sir. The Board for Industrial and Financial Reconstruction (BIFR) has reported that the balance sheet of a company takes into account interest not paid and penal interest, if any, as undischarged liabilities. Consequent to the extension of provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 to Public Sector Undertakings (PSUs) in December, 1991, the Board of Directors of sick PSUs are required to make a reference to the BIFR.

(c) As per the directions of BIFR, the Operating Agency (OA) was required to examine the turn-around proposals of Tannery and Footwear Corporation of India Limited (TAFCO) together with firmed up views of the Department of Heavy Industry and submit its report to the BIFR.

(d) BIFR has reported that the need for a visit by the representative of the OA to the works/office of a sick industrial company is normally left to the discretion of the OA.

(e) BIFR has reported that the case relation to AFCO has been recommended for winding up to the concerned High Court.

Fall in Indian Currency

6041. SHRI GHUFRAN AZAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item published in the 'Economic Times', New Delhi, dated the 28th April, 1995 under the caption "Decleration in inflows may weaken Re";

(b) if so, what is Gov.'s rtaction thereto;

(c) whether the Reserve Bank of India has been directed to initiate urgent steps to protect the Indian currency from further fall in its value; and

(d) if so, the facts and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Yes, Sir.

(b) to (d) The exchange rate of rupee is determinel by demand and supply conditions in the foreign exchange market.

Voluntary Retirement Scheme for RBI Officials

6042. SHRI V. GOPALSAMY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that RBI has finalised a Voluntary Retirement Scheme for its officials only;

(b) if so, the details thereof;

(c) how many officials are there in RSI as on date, Department/Centre/ Branch Unit-wise;

(d) whether any study was undertaken by RBI or any other agency on the Staff requirement of RBI: if so, the details thereof;

(e) whether there is any proposal to extend the scheme to its employees: if so, the details thereof; and

(f) the total number of employees in each RBI Unit/Department/ Centrel Branchas on date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) No, Sir.

(b) Does not arise.

(c) and (f) Centre-wise figures of total number of officers and other employees of the Bank as on 31-12-1994 are as under:—

Centre	No. of officers	No. of other employees	Tota
Bombay	2435	7779	10214
Ahmedabad	273	950	1223
Bangalore	342	1232	1574
Bhopal	86	114	200
Bhubaneswar	128	470	598
Calcutta	602	3340	3942
Chandigarh	104	257	361
Guwahati	137	611	748
Hyderabad	259	1032	1291
Jaipur	213	844	1057
Jammu/Srinagar	42	66	108
Kanpur	235	1469	1704
Kochi	41	155	196
Lucknow	127	332	459
Madras	547	2230	2777
Nagpur	267	1551	1818
New Delhi	511	2172	2683
Patna	199	1037	1236
Panaji	8	11	19
Pune	41	150	191
Thiruvanathapuram	173	559	732
TOTAL :	6770	26361	33131

(d) and (e) Reserve Bank of India has reported that though no study has been undertaken by it or by any one else on its behalf on the officers requirements of the Bank, an Expert Committee appointed by it on Human Resources Development in its report given in January, 1992 made several recommendations in the HRD area including formulation of an Early Retirement Scheme initially for officers to be extended to other employees, in due course.

ITC Management taken over by Fincial Institutions

6043. SHRI VIRENDRA KATARIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Financial Institutions have taken over the management of ITC Limited;

(b) whether it is also a fact that Financial Institutions propose to appoint a new Chairman of ITC; and

(c) if so, what are the details thereof and what is the reaction of Government in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) No, Sir.

(c) Does not arise.

Pushing the country into global system

6044. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Govt's attention has been drawn to the news-items published in the 'Indian Express' dated the 26th February 1995 according to which a leading economist cautioned Government against the perils of pushing the country too fast into the global system; and

(b) If so, the reaction of Government and the steps taken in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Indian Express published a news item captioned "Economicsts warn Government against pushing India into global system' 'on the 26th February, 1995. The news item relates to a statement issued by a group of economists, in which it is claimed that the stablisation and adjustment programmes have led to a decline in the rate of economic growth associated with an increase in unemployment and worsening of poverty, and continuing inflation. It claims that the improvement in the balance of payment is illusory. It also criticises foreign investment proposals in power, petroleum and telecommunications, the manner of public sectors disinvestment, increase in procurement prices etc.

(b) The Government does not agree with the assessment made by the Economists. Significant improvement have taken place in all sectors of the economy in the post-policy period. The overall economic growth in terms of leal GDP has improved from 0.9 per cent in 1991-92 to 4.3 ptr cent in each of the years 1992-93, 1993-94 and is estimated to be 5.3 per cent in 1994-95. The addtiional employment generation has improved from 3 million in 1991-92 to 6 million on an average per year in 1992-93 and 1993-94, with prospects for a larger rise in 1994-95. The annual increase in the stock of external debt declined from $ 8.1 billion in 1990-91 to $ 0.7 billion in 1993-94. The stock of external debt actually declined by $ 270 million in the first half of 1994-95. The rate of inflation which peaked at almost 17 per cent during 1991 has declinined to 8.6 percent as on 29th April, 1995. The Government has also introduced several structural reforms in the infrastructure sector to attract private investment including foreign investment.

However, recognising that fruits of growth will take time to reach some of the poorest and weakest sections of our society and to ensure that they too derive benefit in the short run the Government has given the highest priority to strengthening programmes of rural development, employment generation, primary education, primary health and other key